

SUNDANCE RESOURCES



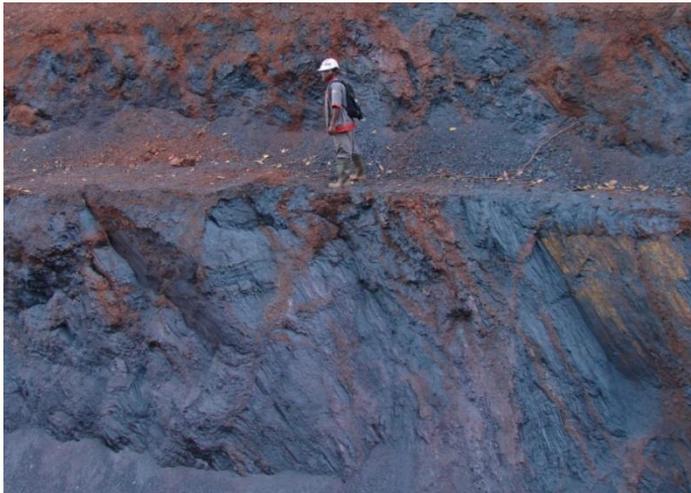
Developing a global iron ore business

Investor Presentation

April 2010

Project Highlights

- 2.5 Bt Indicated & Inferred Resource of High Grade & Itabirite hematite on Mbarga Deposits
- Encouraging drilling at new Nabeba Deposit: additional 100 – 250 Mt High Grade Resource target*
- Planning based on High Grade production for first 10 years: FOB cash operating margin >US\$40/t
- Itabirite concentrate production for balance of +25 year mine life
- Initial capital payback period < 4 years
- Upside potential from 4-8 Mtpa pellet production
- Opportunity for regional aggregation of resources across larger iron ore province



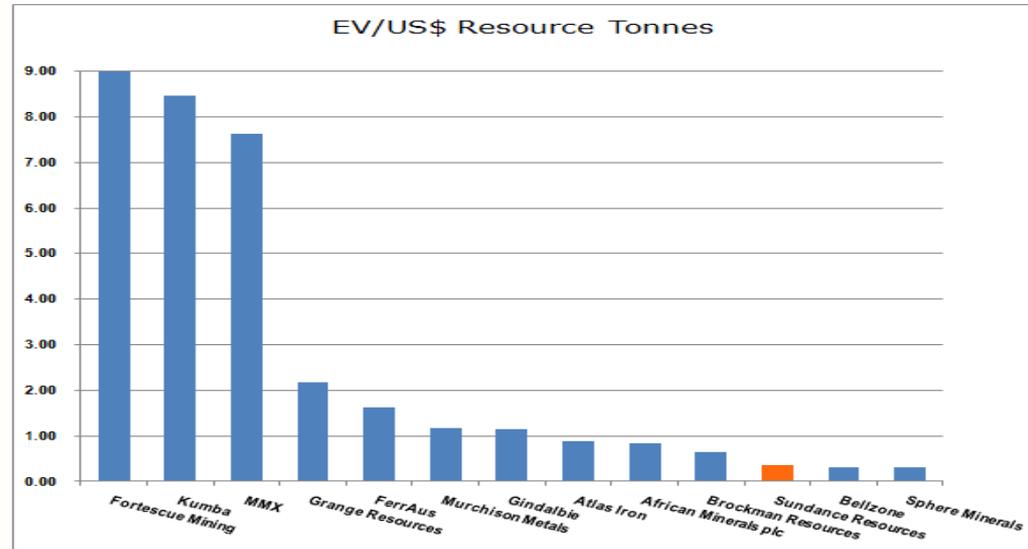
❖ **Targeting to be a long term producer of 35 Mtpa high quality iron ore and pellets**

SDL Capital Structure

Capital Structure

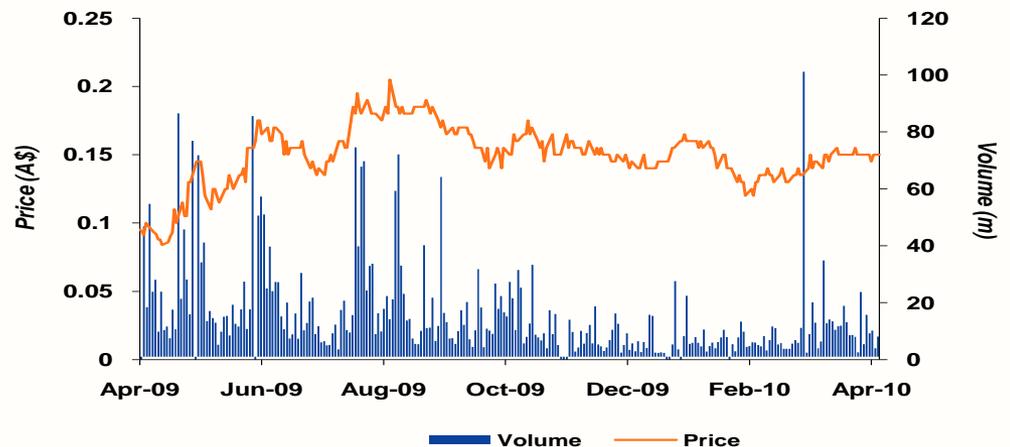
Market Cap	A\$420m*
Ordinary Shares	2,709,995,932
Unlisted Options	76,486,666
Share Price	15.5c*
Cash	A\$89m**
Debt	NIL

*As at 16 April 2010
 ** As at 31 March 2010



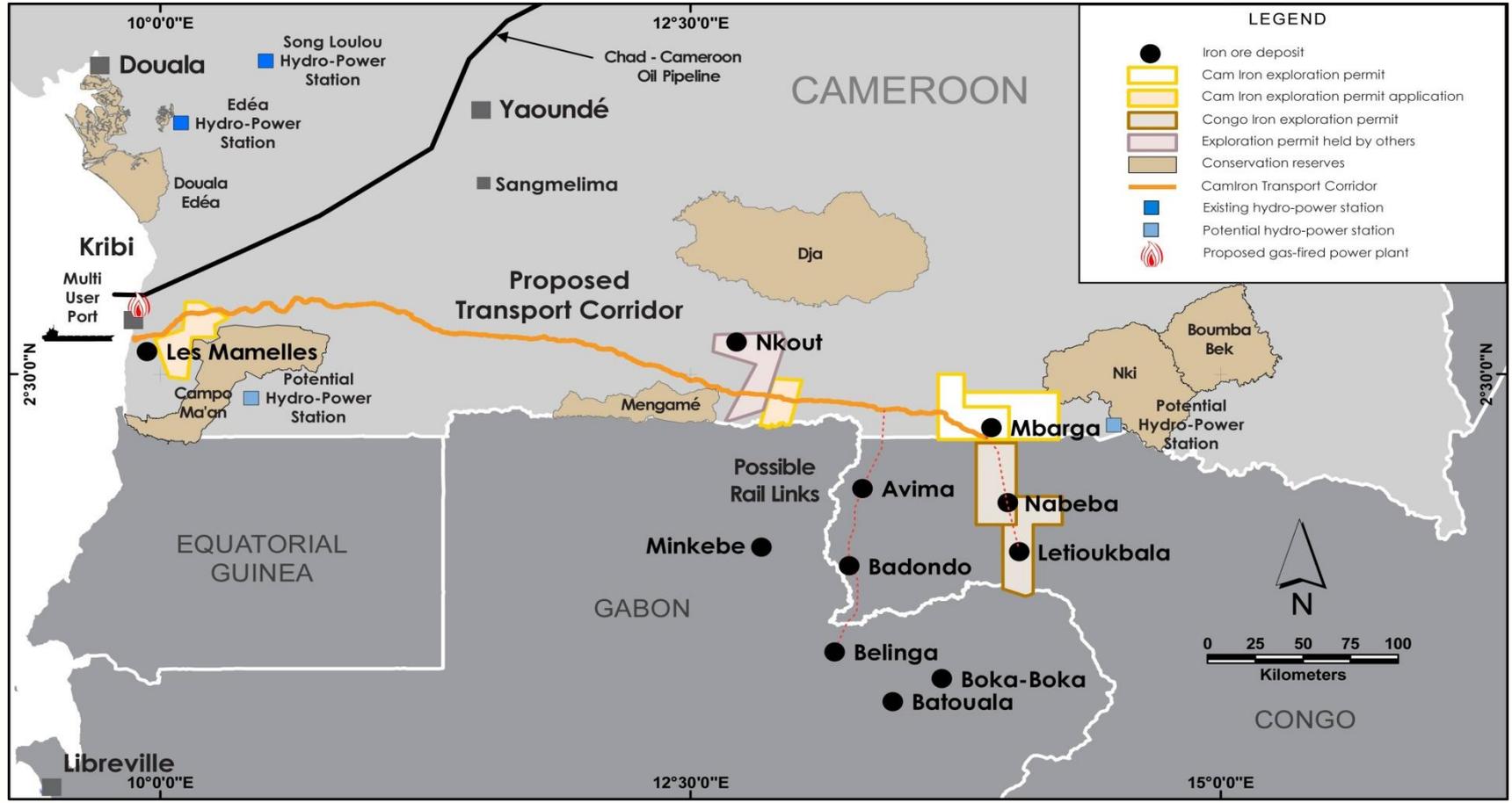
Major Shareholders

Talbot Group	16.0%
Capital Group	5.4%
UBS Nominees	5.4%
Deutsche Bank	5.0%



❖ **Enterprise value of A\$0.35 per Resource tonne**

An Emerging Iron Ore Province



- ❖ **Proposed development of iron ore province based on integrated rail infrastructure**
- ❖ **Value-add opportunities include pellet plant, pig iron plant and agri-business**

Advanced Stage of Development

- 80,000 metres drilled in 2007/08; 20,000 metres drilling budget in 2009/10
- 3 new drill rigs operating; 4th rig purchased
- Transport and port scope defined with site investigations well advanced
- Framework Agreement signed with Government
- Public review of Environmental and Social Assessment report commenced
- Fully funded Definitive Feasibility Study to be completed in 2010



Diamond Drilling at Nabeba

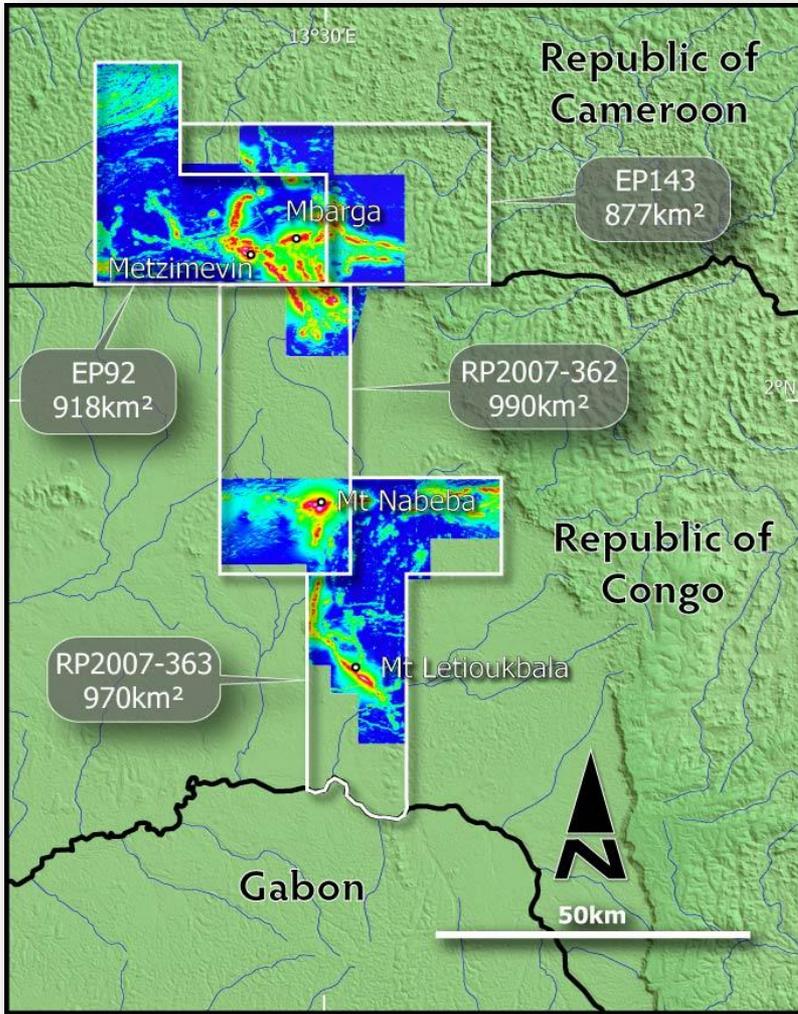


Marine Geotechnical Drilling at Port Site

❖ ***Deutsche Bank appointed to secure strategic partners and arrange project financing***



World-Scale Exploration Portfolio & Resources



Project Mineral Resources & Exploration Targets for High Grade Hematite

Deposit	Category	Tonnage (Mt)	Grade (% Fe)
Mbarga; South Mbarga & Metzimevin (EP92, Cameroon)	Indicated and Inferred Resource	215	60%
Nabebe (RP362, Congo)	Exploration Target*	100 – 250	55 – 65%
Total Resources and Exploration Target*		315 – 465	55 – 65%

* While the Company is optimistic that it will report additional resources in the future, any discussion in relation to the potential quantity and grade of Exploration Targets described in this presentation is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource in excess of the Indicated and Inferred Resource reported for the Mbarga, Mbarga South and Metzimevin Deposits and it is uncertain if further exploration will result in determination of a Mineral Resource for the Nabebe Deposit or any other prospects on the Company's landholdings.

Project Mineral Resources for Itabirite Hematite

Deposit	Category	Tonnage (Mt)	Grade (% Fe)
Mbarga	Indicated	1,431	38%
Mbarga	Inferred	894	38%
Total Indicated and Inferred Resource		2,325	38%

❖ **Landholding of 3,755 km² with significant exploration targets**

Positive Initial Drill Results from Nabeba

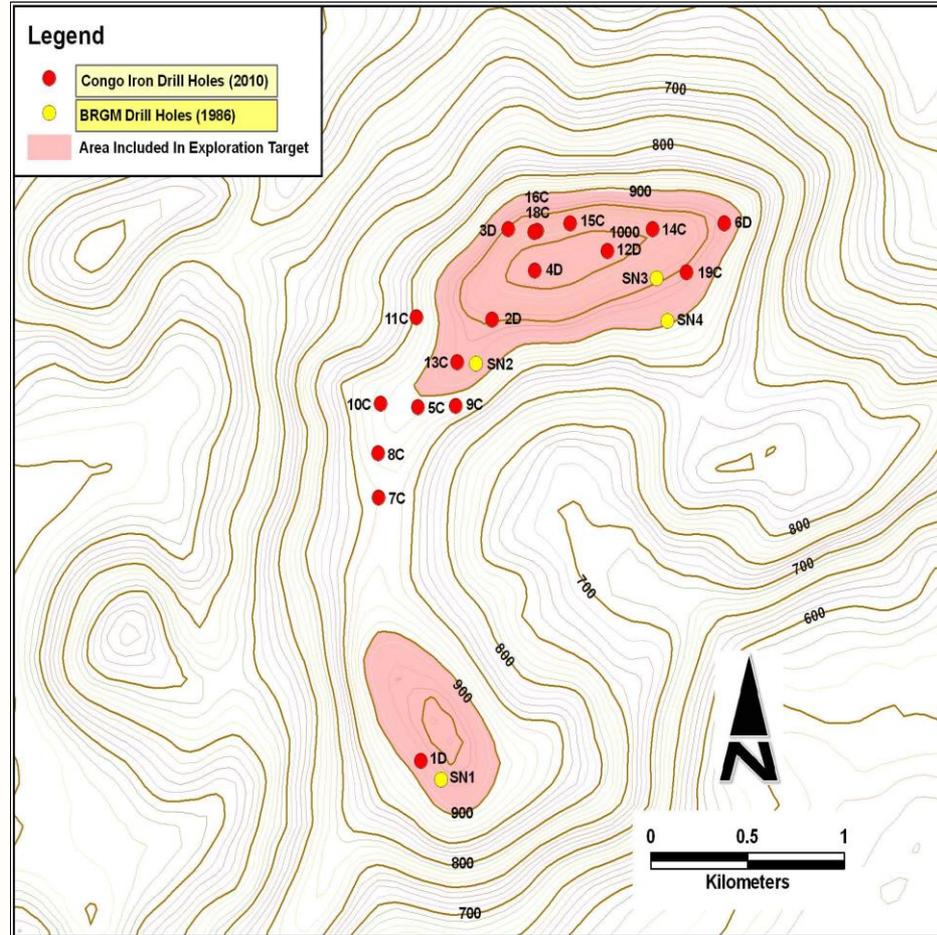
Summary of Significant Intersections of High Grade Hematite

Hole	From	To	Intersection	Grade (% Fe) ¹
NB0001D	0m	28m	28m	62.2% ²
NB0002D	0m	41m	41m	62.1% ²
NB0003D	13m	72m	59m	62.0% ²
NB0004D	0m	143m	143m	61.7%
NB0005C	0m	8m	8m	56.7%
NB0006D	0m	144m	144m	64.3%
NB0007C	0m	58m	58m	58.0%
NB0008C	68m	80m	12m	58.4%
NB0009C	10m	18m	8m	60.7%
NB0010C	6m	48m	42m	60.3%
NB0011C	4m	18m	14m	57.0%
NB0012D	0m	65m	65m	65.3%
NB0013C	0m	32m	32m	63.7%
	60m	74m	14m	61.3%
NB0014C	0m	18m	18m	65.3%
	34m	50m	16m	63.8%
NB0016C	0m	51m (EOH)	51m	61.4%
NB0018C	0m	68m	68m	61.9%
NB0019C ³	0m	48m	38m	63.2%

1. Fe grades based on field Niton XRF analysis & subject to full laboratory assay analysis

2. Poor core recovery in these holes with Fe grades only reported from available core

3. Hole 19C in progress

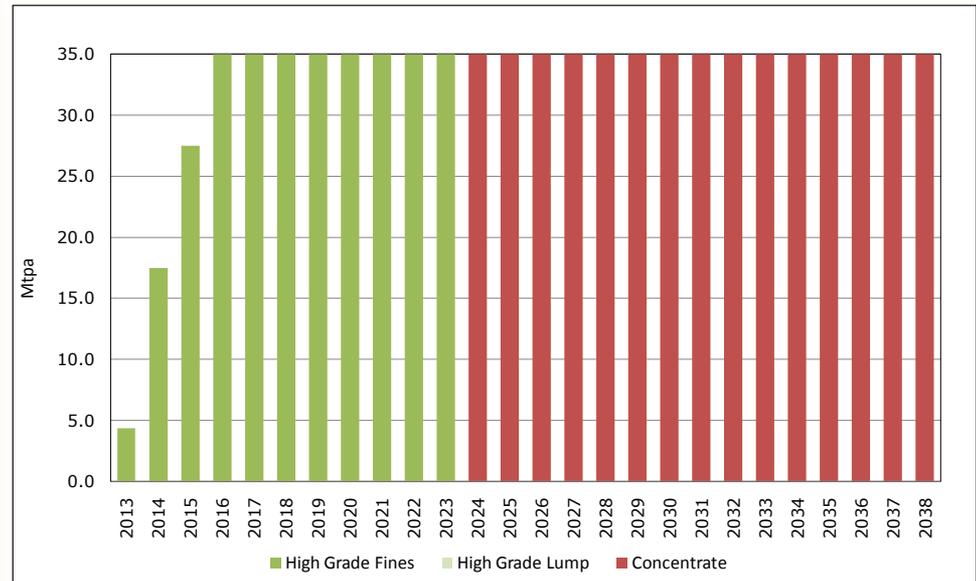


❖ **Drilling at Nabeba consistent with Exploration Target for High Grade Hematite**

Development Strategy

- Operations to Year 10 based on High Grade Hematite delivering premium DSO-quality product
- Itabirite resource to produce high quality pellet feed concentrates for balance of mine life

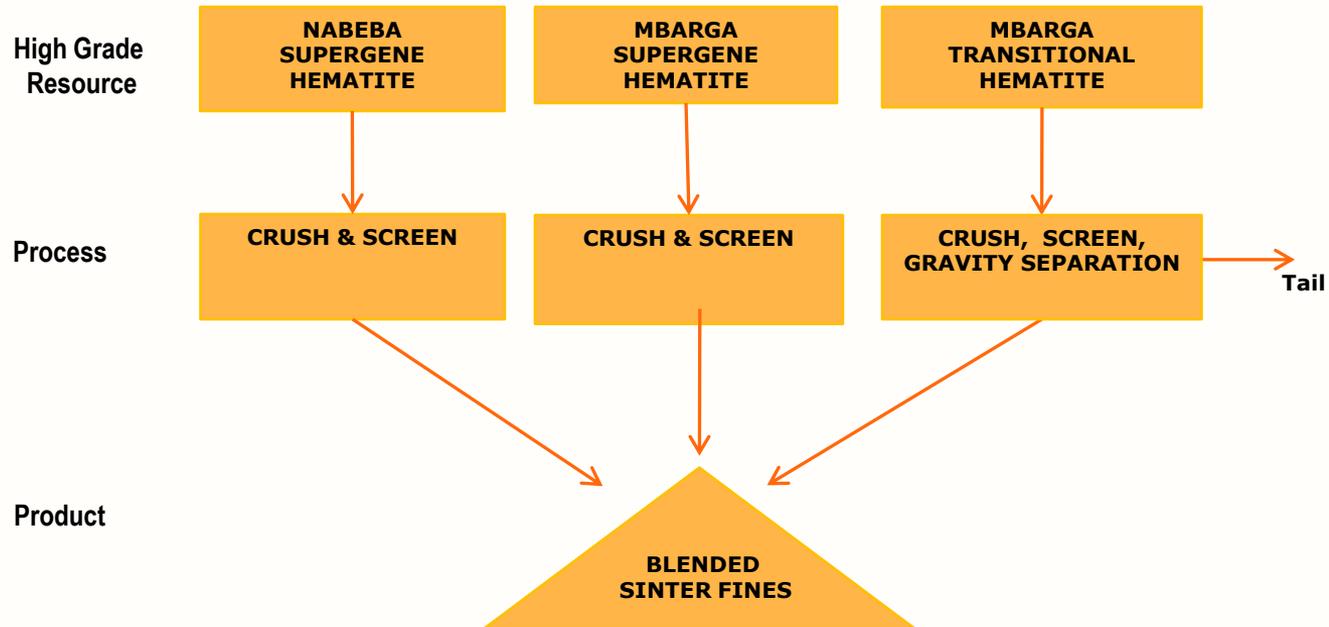
Production	
Throughput	35 Mtpa
Mine life	25 years
Key Assumptions	
High Grade Feed Ore	325 Mt*
High Grade Product Quality	62% Fe
Itabirite Feed Ore	1313 Mt
Concentrate Product Quality	+65% Fe



* Production Target subject to achieving Exploration Target for Nabeba Deposit – refer page 7

❖ **High Grade Hematite production delivers >\$40/tonne margin and underpins financing of rail and port infrastructure**

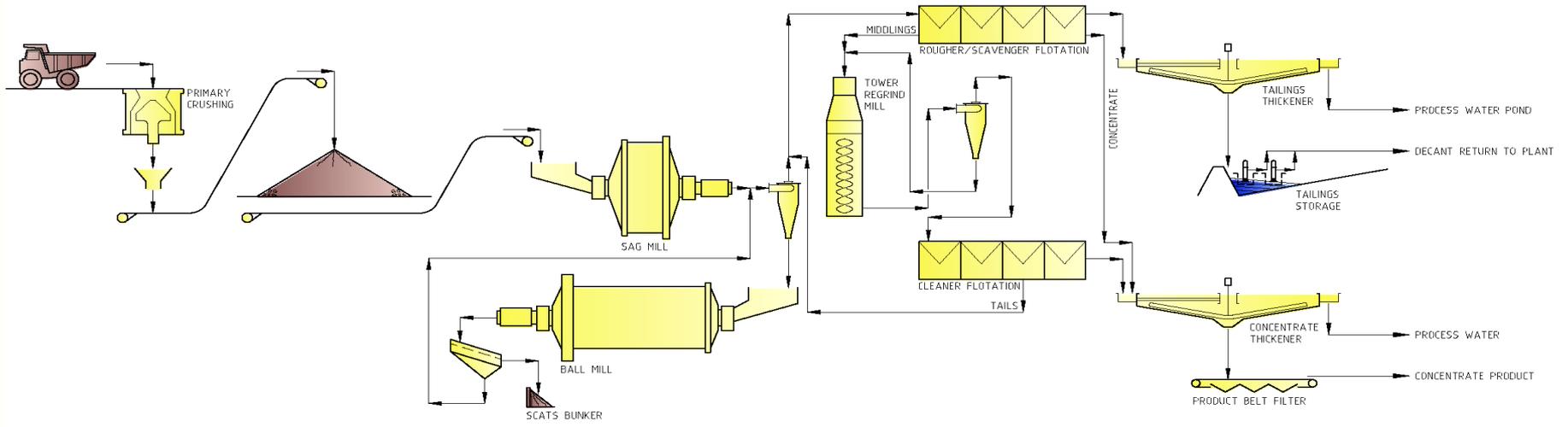
Premium High Grade Hematite Products



Target High Grade Sinter Fines Product Specification					
Mtpa	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)	LOI (%)
35.0	>62.0	<6.0	<2.0	<0.08	2.0

❖ **Targeting to produce premium quality product specification – maximise revenue**

Premium Itabirite Concentrate Products



- Proven grind and float beneficiation to produce concentrate; ~40% weight recovery
 - Potential for production of 4-8 Mtpa DR Grade pellets
 - Natural gas available near port site

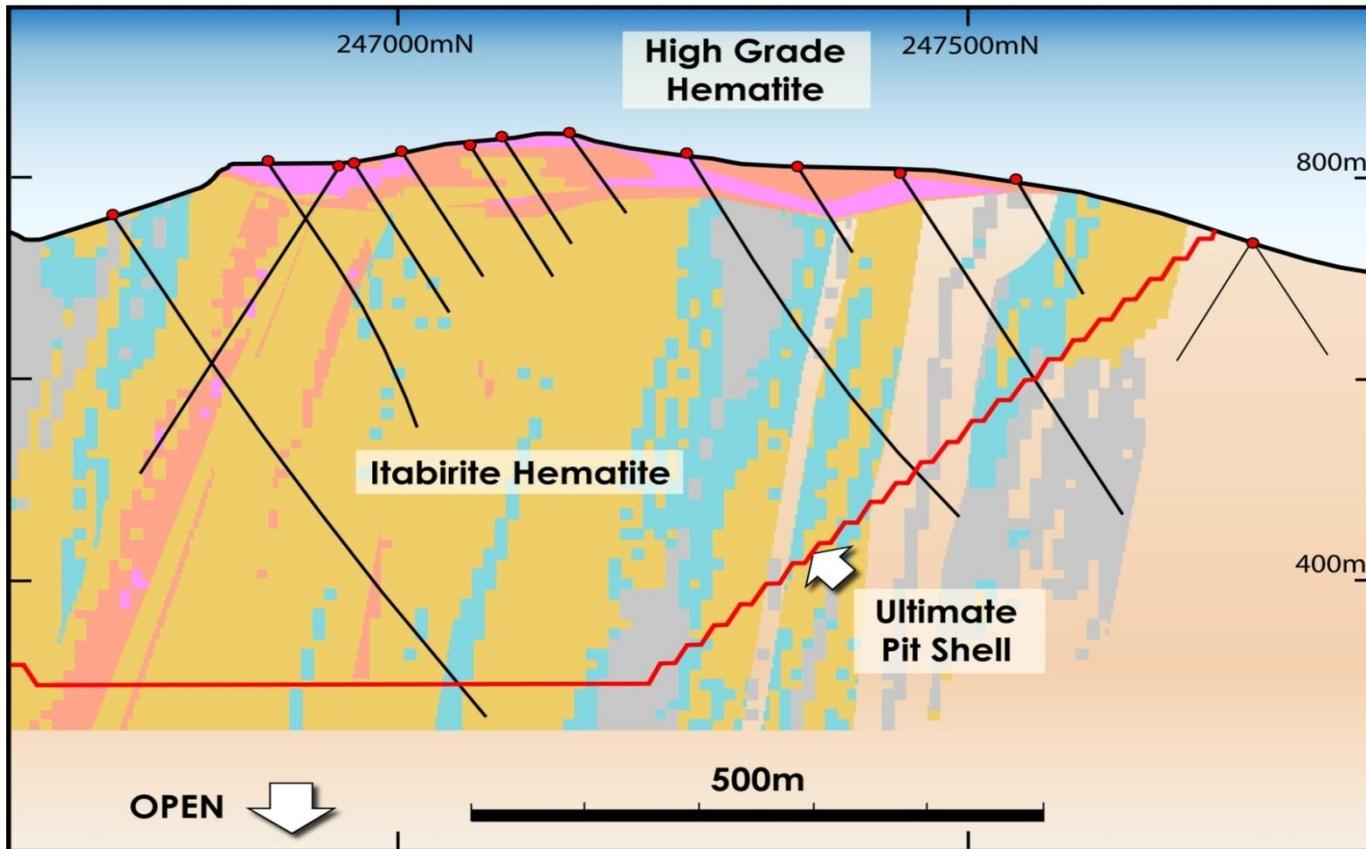
Target Itabirite Concentrate Product Specification (Dual Product Stream)

	Fe (%)	SiO ₂ (%)	Al ₂ O ₃ (%)	P (%)
DR Grade	68.0	1.8	0.2	0.03
BF Grade	66.0	4.1	0.3	0.03

❖ ***Itabirite resource underpins very long term supply of premium pellet concentrate***

Low Mining Costs

- Mbarga High Grade pit has <math><0.2 : 1</math> stripping ratio
- High Grade Hematite at Nabeba Deposit also near surface
- Mbarga Itabirite extends to depths up to 500 metres with <math><0.4 : 1</math> stripping ratio



High Grade Hematite

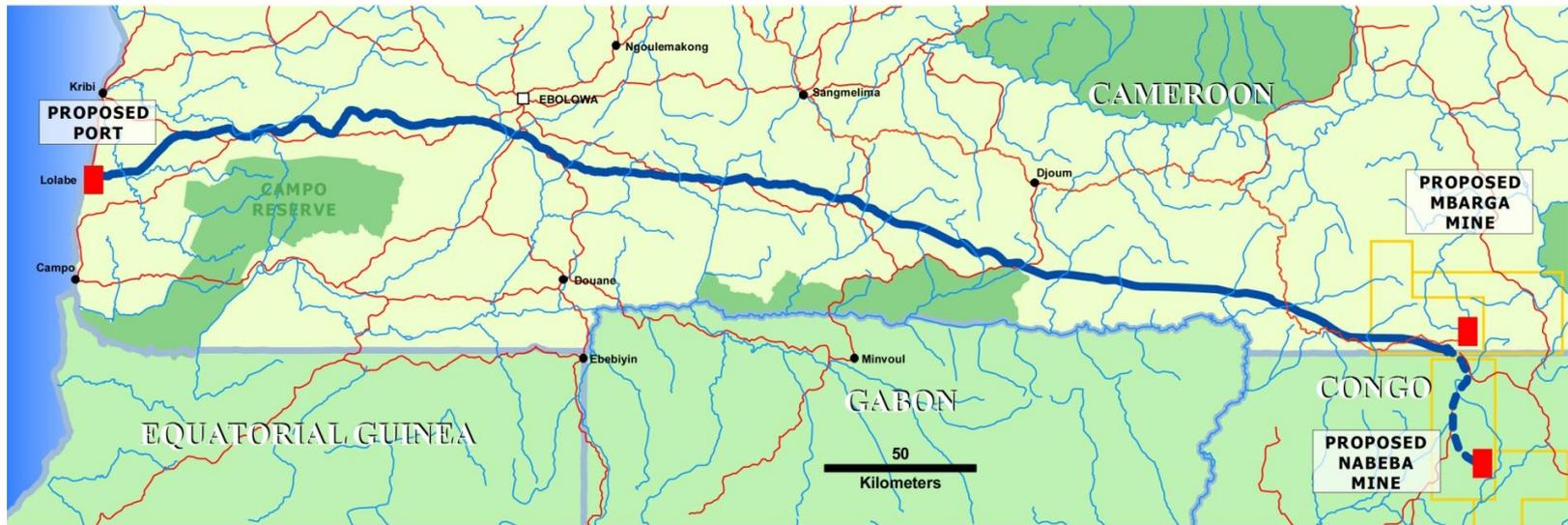


Itabirite Hematite

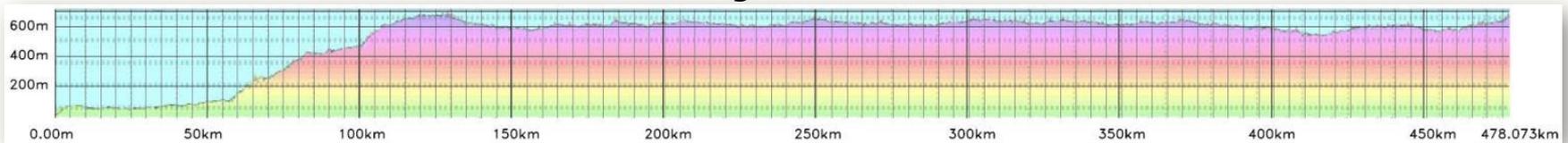
❖ **Near-surface High Grade Hematite ensures low cost mine operations**

Efficient Product Transport to Port

- Rail route avoids all major conservation areas and population centres
 - Design and costings being finalised as part of DFS
 - Train consist of 3 locomotives and 200 wagons
 - 26 hour cycle time between mine and port



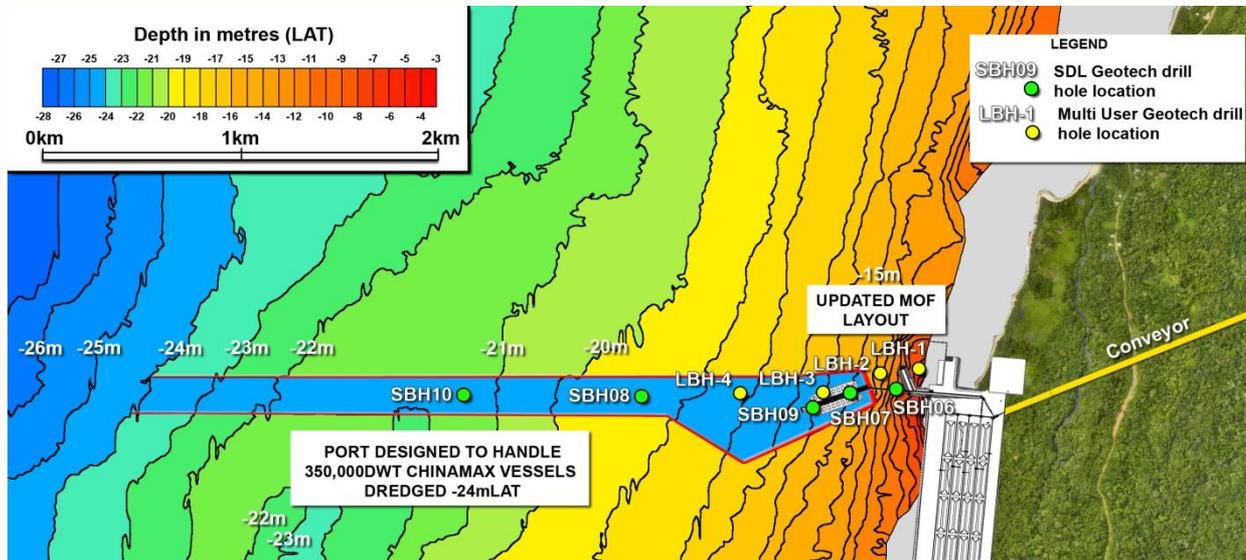
Selection Along Preferred Route



❖ **DFS engineering and site geotechnical investigations well advanced**

World Class Deep Water Port

- Deep water near shore berth (24 metres)
- Open water jetty – no breakwater
- Marine geotechnical investigations completed
- Single berth capacity for 35 Mtpa
- +300,000 DWT bulk ore carriers
- Port DFS engineering commenced



❖ **Deepwater port design optimised to accommodate "China-max" bulk carriers**



CAPEX & OPEX Estimates

- Start-up CAPEX comparable with similar scale iron ore projects: ~US\$100 / tonne annual capacity
 - World competitive OPEX: ~US\$20 / tonne for High Grade product
 - Rail and port OPEX estimated at ~US\$7 / tonne

START-UP CAPEX ¹

Mine & Plant	US\$358m
Rail	US\$1,472m
Port	US\$505m
Indirects	US\$465m
Contingency	US\$560m
TOTAL ESTIMATED CAPEX (PFS)³	US\$3,360m

OPEX ¹

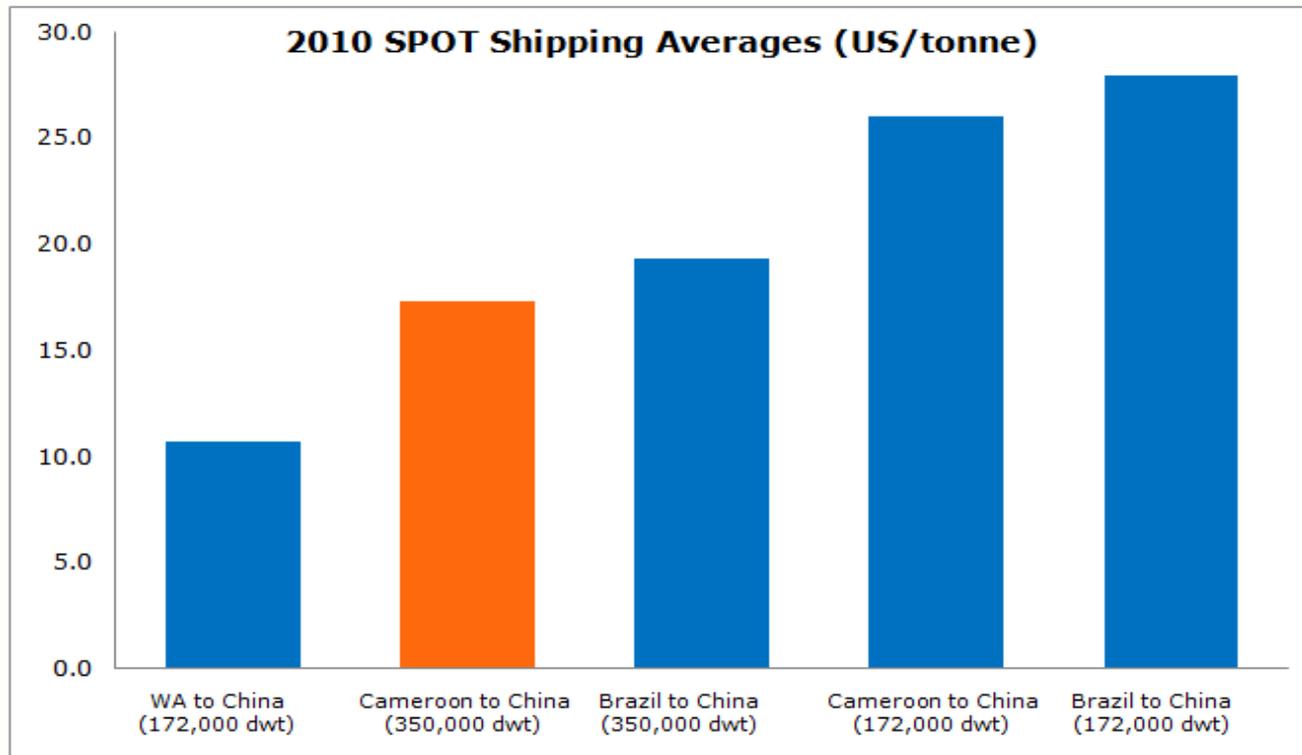
Ave FOB Price (High Grade Product)	US\$63.12/t
Estimated Production Cost ²	US\$19.65/t
ESTIMATED OPERATING MARGIN (PFS) ³	US\$43.47/t

1. CAPEX & OPEX for Itabirite beneficiation not included
2. OPEX includes cash operating costs, royalty and contingency
3. Estimates based on PFS (Jan 2008), subject to review in DFS

❖ **Start-up High Grade production delivers >\$40/tonne margin and underpins payback of rail and port infrastructure CAPEX**

CFR Competitive using China-Max Ships

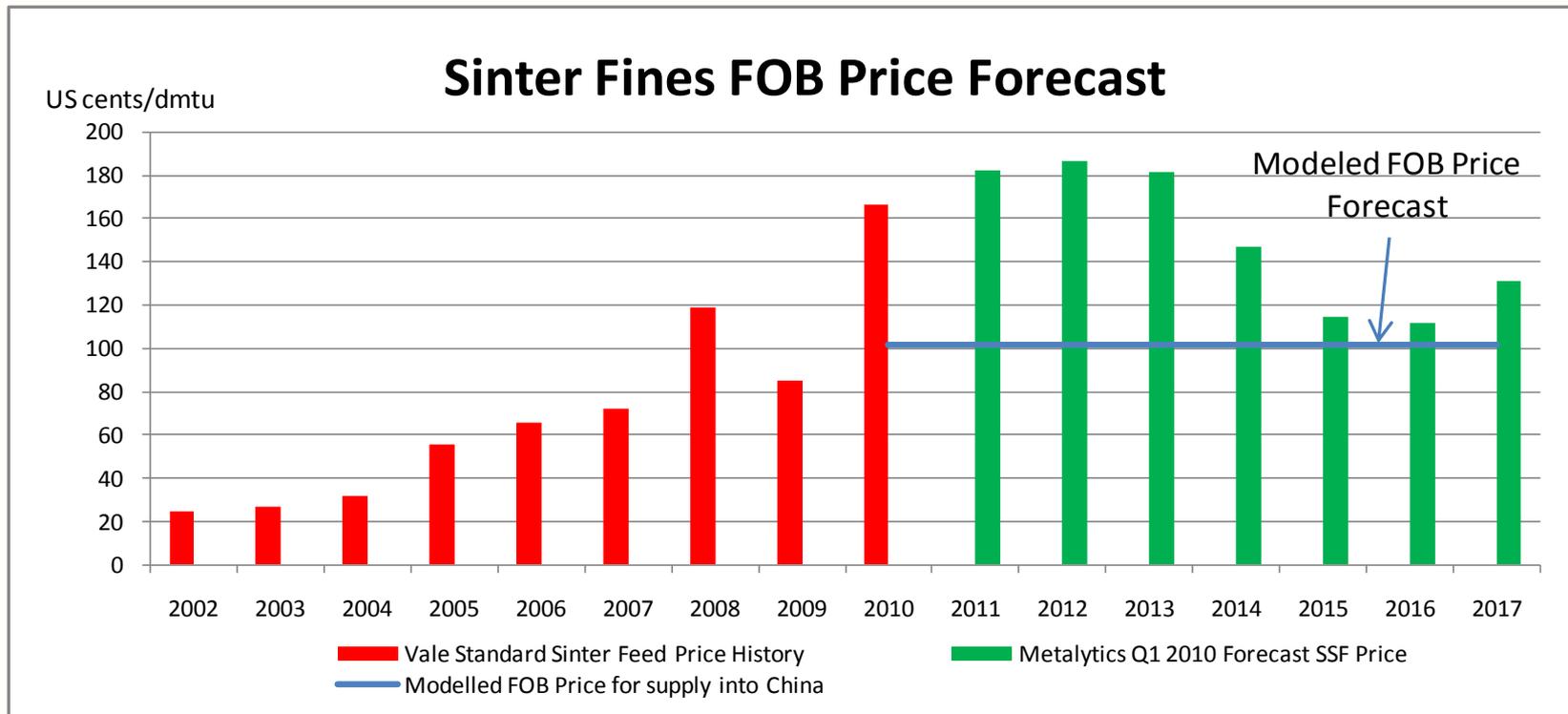
- Shipping from Cameroon to China
 - ~US\$2/t less than from Brazil
 - ~US\$7/t more than from WA; future increased ship sizes will increase competitiveness
- Australian ports generally depth limited



Source: Braemar Seascope, Sundance Resources Limited

Bouyant Iron Ore Pricing

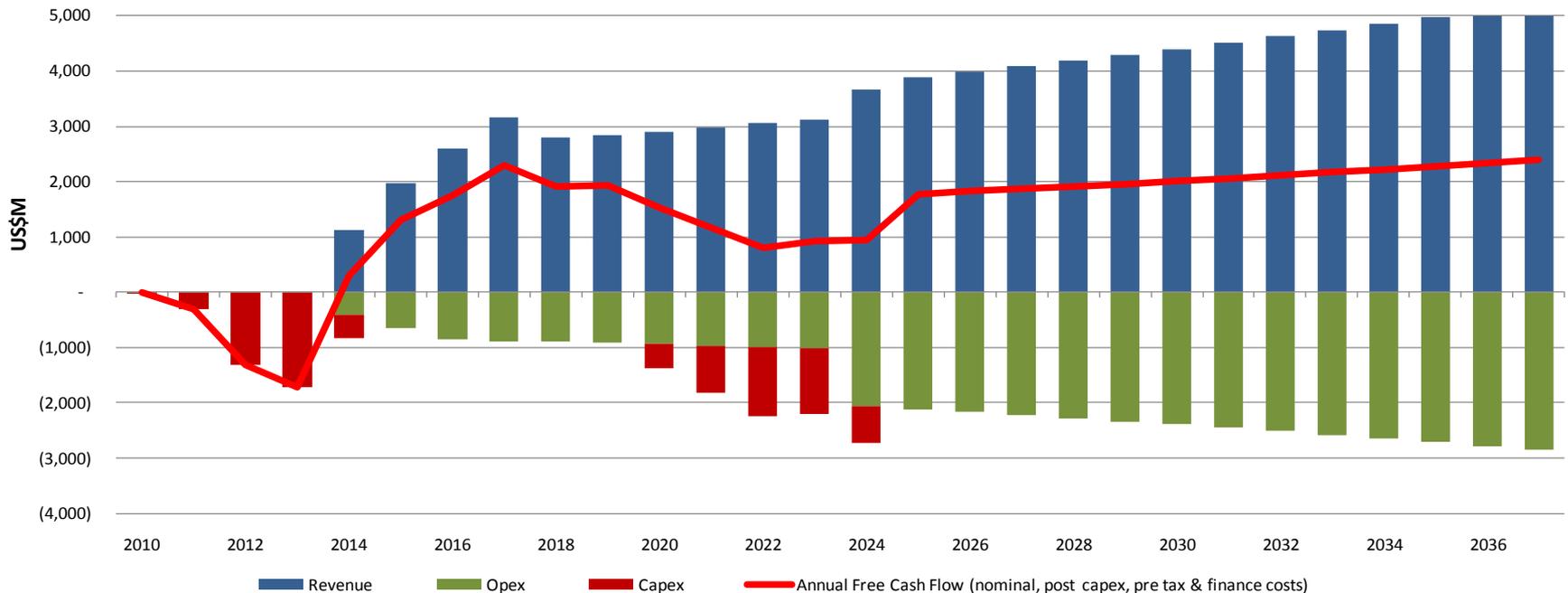
- Long Term Sinter Fines FOB Price assumed at 102 USc/dmtu
- Mbalam price adjusted for Fe % and freight differential to target markets



❖ **Conservative product pricing used in SDL financial model**

Strong Project Cashflow

- Approx US\$1,500 million p.a average cash operating margin (nominal, pre tax, pre-finance)
 - Phase 2 Itabirite CAPEX to be funded from project

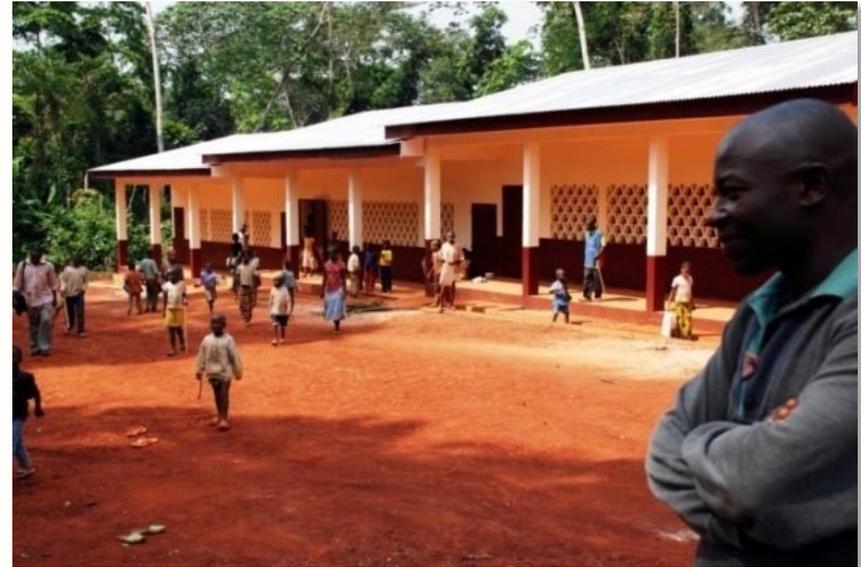


❖ **Project IRR >20% (nominal, post tax) assuming 10 years High Grade production and approval of proposed fiscal / tax terms**



Strong Government & Community Support

- Framework Agreement signed in December 2008
 - Government right to 10% carried interest in Cam Iron
 - Government option to purchase additional 15% contributing interest in Cam Iron at price equivalent to 50% of costs incurred up to time of purchase
- Cam Iron selected as preferred developer of Iron Ore Terminal within Kribi Multi-User Port
- Feasibility Study submitted in October 2009 based on proposed fiscal and tax terms
- Direct financial benefit of ~US\$5 billion to Cameroon/Congo over life of project
 - Royalties
 - Corporate taxes
 - Dividends through equity participation
 - Workforce wages and salaries
 - Purchase of local goods and services
- Environmental and social benefits
 - 0.5% NPAT to environmental & social fund
 - Significant direct and indirect employment
 - Social infrastructure support
 - NGO/community partnerships
- Project of National Interest



❖ **Cameroon Government committed to legislate fiscal/tax incentives necessary to ensure project is internationally competitive**

2010 Development Milestones

- Define JORC-Code compliant Resources at the Nabeba Deposit
- Convert existing Resources on EP92 to Reserves
- Secure financing terms in partnership with strategic partners
- Secure environmental and regulatory approvals
- Complete Definitive Feasibility Study
- Execute Sales Terms Sheets and Offtake Contracts
- Approval and ratification of the Mbalam Convention
- Issue of Mining Permit and Land Leases over Infrastructure
- Close equity and debt financing





Disclaimer

Certain statements made during or in connection with this communication, including without limitation, those concerning the economic outlook for the iron ore mining industry, expectations regarding iron ore prices, production, cash costs and other operating results, growth prospects and the outlook of SDL's operations including the likely commencement of commercial operations of the Mbalam Project and its liquidity and capital resources and expenditure, contain or comprise certain forward-looking statements regarding SDL's exploration operations, economic performance and financial condition. Although SDL believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, success of business and operating initiatives, changes in the regulatory environment and other government actions, fluctuations in iron ore prices and exchange rates and business and operational risk management. For a discussion of such factors, refer to SDL's most recent annual report and half-year report. SDL undertakes no obligation to update publicly or release any revisions to these forward-looking statements to reflect events or circumstances after today's date or to reflect the occurrence of unanticipated events.

Competent Persons Statement

The information in this release that relates to Exploration Results is based on information compiled by Mr Robin Longley, a Member of the Australian Institute of Geoscientists, and Mr Lynn Widenbar, a member of the Australasian Institute of Mining and Metallurgy.

Mr Longley is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Longley consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Mr Widenbar is a consultant to the Company and has sufficient experience which is relevant to the style of mineralisation and type of Deposit and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Widenbar consents to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The estimated quantity and grade of DSO quality Supergene mineralisation and underlying Itabirite-style mineralisation has been restricted to the area currently covered by drilling on a 100m x 50m pattern for the Indicated Resource at the Mbarga Deposit and 200m x 100m pattern for the Inferred Resource at the Mbarga, Mbarga South and Metzimevin Deposits. This is represented by an area approximately 3km (east-west) x 3km (north-south) on the Mbarga Deposit; by an area approximately 1.5km (east-west) and 1.0km (north-south) on the Mbarga South Deposit and 1.2km (east-west) x 0.3km (north-south) on the Metzimevin Deposit. Grade has been estimated by Ordinary Kriging on composited sample results. Cut-off grades for High Grade Hematite for the Mbarga Deposit are broken down as follows: Surficial: >50% Fe and <10% Al₂O₃; Supergene: No cut-off; Transitional: >51% Fe; Phosphorus: >53% Fe and <0.3% P; Hypogene: >52% Fe. Mbarga South is quoted at >50% Fe cut-off and Metzimevin is quoted at >56% Fe cut-off. A nominal 34% Fe cut-off value for the Mbarga Itabirite hematite is used.

A digital terrain surface (based on highly accurate topographic data), has been used to limit extrapolation of the mineralisation to the topography of the relevant deposits. A number of mineralisation and waste domains have been modelled as either a digital terrain surface or as wireframes and used to constrain the grade interpolation. The resource modelling has used 20m x 10m x 10m blocks with sub-blocks to honour the constraining surfaces. Collar surveys used DGPS surveying.

Down-hole surveys were determined using either deviation or gyro survey data. Down-hole geophysical logging including density, gamma, resistivity and caliper logs have been used in the evaluation.

The Itabirite mineralisation has a very strong correlation of density to Fe grade and therefore a Fe regression formula has been applied. The regression formula has been derived by analysis of data from geophysical downhole logging and assaying with a range of densities adopted from 3-4t/m³ depending on the iron grade. A density of 3.6t/m³ has been used for the majority of the near-surface High Grade Hematite and a value of 2.6 t/m³ applied to the overlying Surficial Zone. The underlying Transitional Zone has density values assigned via the Itabirite Fe grade regression formula, with a nominal 10% reduction applied to the resultant value to ensure the value is conservative.

Core and sample recovery has been recorded during logging. All drill hole data is stored in an acQuire database and imported data is fully validated. Assaying QA/QC was undertaken using field duplicates, laboratory replicates and internal standards with comprehensive reporting on laboratory precision and accuracy. Three metallurgical test work programs have supported the assay grades and density values of the major mineral types.

The map boundaries shown in the attached figures are indicative and should not be used for legal purposes. All areas are approximate and maps do not reflect all topographical features.

While the Company is optimistic that it will report additional resources in the future, any discussion in relation to the potential quantity and grade of Exploration Targets is only conceptual in nature. There has been insufficient exploration to define a Mineral Resource for these Exploration Targets and it is uncertain if further exploration will result in determination of a Mineral Resource.



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